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Thailand

Agricultural Situation

Thai Estimates of Cyclone Nargis Impact 2008

Approved by:

Gary Meyer, Agricultural Counselor
U.S. Embassy

Prepared by:

Ponnarong Prasertsri, Agricultural Specialist

Report Highlights:

The Office of Agricultural Economics of the Thai Ministry of Agriculture and Cooperatives estimates the damage of Cyclone Nargis on agricultural land in Burma covers 2.7 million rai (0.4 million hectares). However, the damage on agricultural production, particularly rice, is expected to be limited as dry season crops have already been harvested, and cultivation of rainy season crops not yet begun.

Includes PSD Changes: No
Includes Trade Matrix: No
Trade Report
Bangkok [TH1]
[TH]

On Monday, May 12, the Office of Agricultural Economic (OAE) of the Thai Ministry of Agriculture and Cooperatives released estimates of Cyclone Nargis impact on Burma's agriculture, with an overall assessment that damage to agricultural production is expected to be marginal. According to OAE, total damaged areas covered 5.3 million rai (0.8 million hectares), half of which is agricultural land. Most of agricultural land is paddy fields. The damage to rice production is expected to be limited as most of the main crop cultivation (rainy-season crop) has not been seeded yet. In addition, most dry season crops including rice, beans, and corn has already been harvested. However, rice stock damage is expected to be around 500,000 tons.

Estimated Damage of Cyclone Nargis in Burma

	Damaged Areas	
	(rai)	(hectare)
Total	5,258,152	841,304
Agricultural Land	2,654,046	424,647
Paddy field	1,786,625	285,860
Dry-season crop	846,200	135,392
Shrimp farm	21,221	3,395

Source: Office of Agricultural Economic
Ministry of Agriculture and Cooperatives

Estimates will continue to evolve as reported by the OAE, but based on the OAE figures damage to MY 2008/09 Burmese rice production could be approximately 0.44 million tons, given non-recovery of land resulting from salt water intrusion. This assumes average yields of 2.6 metric tons per hectare. Meanwhile, current year production (MY 2007/08) will be slightly affected as dry-season crops in the damaged

areas (0.1 million hectares) have reportedly been harvested. There are outstanding concerns on the quality of rice in stocks, which are expected to have been damaged by water. Rice from the Nargis-hit areas is typically export grade. The Government targeted this year's rice exports to reach 600,000 tons. In the first four months, Burma exported an estimated 400,000 tons of rice, mainly to Bangladesh and Sri Lanka. Nevertheless, the Government is expected to ban rice exports through the end of the year, holding remaining stocks for domestic consumption. Thai rice exporters do expect the potential Burmese rice export ban to affect world prices as Burma's rice exports are relatively insignificant, and have been inconsistent due to previous government intervention.

The assessment of the OAE is based on analysis from Canadian satellite (RADARSAT-1) images taken on May 4, which was reported by the Geo-Informatics and Space Technology Development (GISTD) of Thailand. These images were overlaid with U.S. (IKONOS, SPOT, and QuickBird) and NASA satellite images (TERRA/AQUA MODIS), which enabled the OAE to estimate Cyclone Nargis impact on agriculture.

End of report.